

Introduced by Senator Soto

February 18, 2005

An act to add Section 409.12 to the Military and Veterans Code, relating to military.

LEGISLATIVE COUNSEL'S DIGEST

SB 513, as introduced, Soto. California National Guard: benefits and protection: deferral of interest on financial obligations.

Existing law provides certain protection for members of the California National Guard and reservists called to active duty, as specified, during the period of military service, with respect to, among other things, taxes or assessments, health or medical insurance, and death benefits payable to the surviving spouse or designated beneficiary of any member of the California National Guard, as specified.

This bill would create an additional benefit for deceased members of the California National Guard by requiring a deferral, without penalty or accrual of any additional interest, for a period of 6 months after the member's death, of any interest on a financial obligation or liability, as specified, incurred by that member, his or her surviving spouse, or the member's beneficiary, as defined, before the member's entry into service.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 409.12 is added to the Military and
2 Veterans Code, to read:

1 409.12. (a) To the extent permitted by federal law and the
2 California Constitution, any interest on any financial obligation
3 or liability bearing interest and incurred by a member of the
4 California National Guard, his or her surviving spouse, or the
5 member's beneficiary shall be deferred for a period of six months
6 after the death of the member without penalty or accrual of any
7 additional interest.

8 (b) For purposes of this section, all of the following apply:

9 (1) "Interest" includes service charges, renewal charges, fees,
10 or any other charges with respect to any obligation or liability.

11 (2) "Beneficiary" means a beneficiary of the deceased member
12 of the California National Guard who is or has become, after the
13 member's death, liable for any of the member's financial
14 obligations or liabilities bearing interest.

15 (3) This section shall only apply to a financial obligation or
16 liability bearing interest that was created between a private entity
17 and a member of the California National Guard, his or her
18 surviving spouse, or his or her beneficiary before that member's
19 entry into service.